1947. File No. 8672/36

P-III DEPARTMENT

B CLASS El BRANCH

Subject:— Hydro Electric
Schem at Bhatkal -
of Mr. A.M. Bhat.

File No. 8672/36 El.

Std. Sectt. Slip 24-B

just enough slope to assist drainage and that water supply and sewage disposal should both be cheap. They point out that the only argument that may be urged against it is that access is at present difficult, but this is a matter which will be entirely changed by the early arrival of the Railway and the construction of the jetty and wharf.

11. As regards the scheme for Hydro-Electric and Water Supply in the shipyard and the town at Bhatkal, the Engineers are of the view that excellent sites for Hydro-Electric Stations exist near Bhatkal and that electricity can be generated there in any quantity which could conceivably be used in the neighbourhood and at low cost

12. Because of its position and physical features - the natural shelter which the reef projecting from Bhatkal into the Sea and the small islands opposite afford to sea going vessels - its nearness to Venkatpur river, which flows at a distance of not more than 3 miles and the possibilities this river holds for generating hydro-electric power for industrial and civic purposes and for undertaking irrigation work, and the inexhaustible supply of timber for ship building and other purposes which the Junglee of Kanara District, which are not more than 10 miles beyond Bhatkal, afford, and its comparative proximity to the Bhadravati Iron and Steel Works, make Bhatkal a very suitable place for putting into effect the scheme for developing its port and constructing there a ship-building yard and starting deep sea fishing industry by power-driven and other crafts and establishing a National Institute for teaching Marine Engineering and Naval Architecture as is proposed to be done; and starting hydro-electric power supply works on the Venkatpur river and laying out a modern industrial town on well established princi-ples of Town Planning, as envisaged in the abovementioned Reports.

13. Bhatkal it may be added is luckily free from malaria and enjoys a very salubrious climate.

14. Extensive flat land beyond Bhatkal gradually slopping towards the sea shore afford very suitable site forlaying out a town for industrial population by the side of the river which will be the source not only of fresh water-supply for the town, but also for

(Continued-5)

for electricity and irrigation needs of the outlying areas.

15. Our client proposes to start a public limited company with a capital of 5 crores for putting into effect his scheme and he has already been promised financial support to a considerable extent. He has also already taken steps for getting the Memorandum and - - Articles of Association and other necessary documents prepared for incorporating the company.

16. It is important to point out that it is not at all unusual for a private concern as contradistinguished from Government agencies to own and run ship-building yards in conjunction with wharves - - jetties or docks which can be used both for the industrial purpose of ship-building and commercial purposes of loading and unloading cargoes and landing and embarking passengers. For instance in - - England where 52.5 per cent of the world ship-building construction is carried out almost all ship-building yards are owned by companies who have their own wharves or docks which are used not only for the industrial purpose of ship-building but also for the commercial - purpose of berthing merchant marine vessels loading and unloading commercial cargoes. In fact it has been found that the business of a ship-building yard cannot be carried on economically unless the income of such business is supplemented by the income of wharfage etc derived from commercial vessels using the wharf constructed for ship-building.

17. However it can readily be realised that without the sympathy and active help and co-operation of Government it will be very - - difficult to carry out successfully a project of this vast and - - important nature.

18. Anned hereto is a statement in which Mr.Bhat has outlined the concession which Government are requested to grant to the - - proposed company to encourage its nation building activities and the various ways in which Government's help and co-operation are sought.

19. Here we have given the barest idea of the proposed scheme and have not at all dilated upon its great utility and the manifold

(Continued-6)

benefits it will confer upon the Province and the impetus that it will give to industry and commerce especially in the Kanara District which has hitherto been neglected, as it will be obvious from an examination of the scheme that these results are bout to follow.

20. Mr. Bhat and ourselves will be glad to attend before the Minister or Ministers concerned with this subject and discuss the matter and give such information and particulars as may be required.

21. We may add that Mr.Bhat has arranged for Sir Brucewhite, the Senior Partner of the abovementioned firm of London Engineers who have prepared the three reports to come to India and render active help in starting the project. This is proposed to be done as soon as the assurance of Government is received that they will help and sponsor the project and will give the concessions which are requested to enable the Company to embark upon the project with every hope of success.

22. It cannot be disputed that the course of human progress has, in the main been charted under the incentive of individual effort and enterprise in one or other of its manifestation - academic, aesthetic, scientific or commercial - as distinguished from Government undertaking. Individual enterprise has brought within the reach of mankind a profusion of discoveries and inventions which it would be ungenerous not to acknowledge. History shows how often they were pioneers who opened highways of commerce and industry which were seen to become avenues through which were diffused, behind the advancing frontiers of trade - the ideas, knowledge and culture which are our heritage. Mr. Bhat has devoted many years of his life to this project and looks forward to its fruition through his effort and initiative. Owing to the establishment of this project the destiny of Kanara will completely change, it will open a commercial and industrial gate for the Deccan on the westcoast of India. Besides, it will change completely the marine life of India by mechanisation of sailing crafts,which sail in thousands along the Indian coast, giving a new life and filip to the deep and surface sea fishing industry.

(Continued-7)

Above all this project gives a first class marine industrial centre to India for its defence. In every respect this project is original, complete, and unique. Hence it should not be assessed by reference to what it will achieve immediately but it should be - - assessed by reference to its influence on the future life of India in general and of Kamara in particular.

Yours faithfully,

Sd. Wadia Ghandy & Co.

Accompts:

STATEMENT OF CONCESSIONS AND HELP SOUGHT FROM THE GOVERNMENT OF BOMBAY IN REGARD TO THE SCHEME FOR THE DEVELOPMENT OF THE PORT OF BHATKAL AND CONSTRUCTING A SHIPBUILDING YARD THERE AND LAYING OUT AN INDUSTRIAL TOWN.

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1. LANDS:

(a) Government may be pleased to convey to the proposed Company for a nominal consideration such lands in or near Bhatkal and along the sea front as are vested in Government and as may be required for the purpose of the Scheme of grant such lands to the proposed Company on a lease for 999 years at a nominal rent or assessment with an option to the Company to purchase all or any of the lands leased to the Company.

(b) Government should acquire the lands required for the purpose of the Scheme which may be vested in private individuals and either transfer the same or grant a long lease thereof to the proposed Company as mentioned in Clause (a) above.

(c) The approximate areas of the land which will be required are as follows:-

(i) Lands for laying out the town	-	2,000 acres
(ii) Lands for shipyard and factory	-	50 acres
(iii) Lands for berth and que sites	-	100 acres
(iv) Lands for railway siding and sheds	-	50 acres
and (v) Lands for Iron and Steel factory	-	50 acres
Total.		2,250 acres

(d) In the event of the lands being transferred to the Company for a nominal consideration, assessment may be charged in respect of occupied lands. No assessment should be charged on lands utilized for public purposes viz: roads, footpaths, gardens, playgrounds, schools, recreation grounds, parks, places of worship, public offices etc. Nominal assessment may be charged in respect of factory sites, railways yards, berths, quayside.

(Continued-2)

(e) The Company may be granted subject to the arrangement if any with the Government of India and the Railway Board, the right to construct railway, railway stations, sidings, water works, waterways, canals, ropeways, roads and all other forms of communications over private and public lands, not already vested in the Company, private lands required for any of the purposes aforesaid to be acquired for the Company by Government.

(f) The Company may be granted powers of a Municipal Authority in respect of territories or areas vested in it for the purposes of the Company.

(g) Government may be pleased to help the Company to obtain facilities from the Government of India for the establishment of Telegraph, Post Office and Main-line telephone trunk connections in the new industrial town to be laid out.

TIMBER RIGHTS:

(a) Half of the yearly out-put in Kanara District of boat building and house building timber may be reserved for the Company at Government scheduled rates for 25 years.

(b) Government may be pleased to allot to the Company at nominal Royalty arrear Coups in 2000 acres of Honaver, Bhatkal Forest Range from Block 11 of Mahime to Block 22 in Bhatkal Honaver Range of the current working plan, as requested by application of Mr. Bhat dated 17th August 1944 made to the Secretary, Revenue Department, Government of Bombay.

3. SHIPYARD AND WHARFAGE RIGHTS:

The Jetty and wharf to be built by the Company along side the Ship Building Yard shall be used both for shipbuilding purposes and for berthing commercial vessels along-side the wharf.

(a) The Company shall retain for itself wharfage and berth rents collected from commercial vessels as per rates fixed by the Company. The Government shall not claim any share therein.

(Continued-3)

(b) Government may be pleased not to allow another wharf or berth for commercial purposes to be constructed - within fifteen miles from the wharf or jetty of the - Company so long as the latter is sufficient to meet the needs needs of commercial vessels frequenting the area.

(c) All the materials used in the Shipbuilding Yard and the Factories attached thereto may be exempted totally from payment of all present or future taxes, duties, cesses, assessments, fees, outgoings and tolls for a period of 20 years or until the Company is in a position to pay 6 per cent dividend on ordinary shares whichever is the earlier. The Government of Bombay should safeguard and encourage the shipbuilding industry by getting the Central Government to place all orders for manufacture of naval crafts for the Royal Indian Navy with the Company rather than with foreign shipbuilders and the Government may be - - pleased to give an assurance to this effect to the Company.

4. INDUSTRIAL TOWN:

(a) Government may be pleased to give a subsidised loan of a crore of rupees at 2½ per cent interest payable after 30 years for the establishment of an Industrial Town near the ship-yard at Bhatkal and for water works, - - drainage, roads etc. of the town.

(b) The Company may be allowed to utilize the water of Venkatpur river and other resources at a nominal royalty, if the same cannot be given free.

5. DEEP SEA FISHING:

Facilities may be given to the Company for developing deep fishing industry near Bhatkal by powerdriven and other vessels.

6. INSTITUTE FOR MARINE ENGINEERING AND NAVAL ARCHITECTURE:

Government may be pleased to render help in the establishment of a Marine Institute at Bhatkal for the teaching of Marine Engineering and Naval Architecture. The promoter Mr. Bhat will

(Continued-4)

agree to contribute 50 per cent of the Managing Agency Commission earned from the Company for the endowment and upkeep of the Marine Institute. He will also pay to the Institute such amount as may be received by him as and by way of promotion money from the Company after it is floated as hereinafter mentioned as his personal contribution to the Institute.

7. HYDRO-ELECTRIC SCHEME:

Electric license for generating Hydro-Electric Power on the Venkatpur river and distributing the same at Bhatkal and in the New Industrial Town and within a radius of 25 miles of the place where power is generated may be granted to the promoter, Mr. Bhat, who proposes to establish a sister concern for producing electric power and agrees to reserve one-third of the capital thereof for the shareholders of the proposed Company for starting Marine Indust

8. CAPITAL OF THE COMPANY:

(a) Government may be pleased to subscribe 20 per cent of the issued capital of the Company.

(b) The Government scale allows 28 per cent overhead and - - pensionery charges on the outlay of Engineering projects, which are treated as national key industries. Hence the Bombay Government should agree to at least 18 per cent, if not 28 per cent, of the outlay being appropriated for overhead charges on the whole project viz: fees for - - designing, supervision, underwriting, preliminary expenses and promotion including (a) exploration (site selection) (b) general outlay and instructions and (c) formation.

Preliminary expenses have been borne and promotion work has been done by Mr. Bhat himself personally. Hence the Government should agree to a due proportion of the 18 per cent of the outlay being paid to Mr. Bhat for Preliminary expenses and promotion work and the balance being ear-marked for designing, supervision and underwriting.

25th January 1946.

SIR BRUCE WHITE, COLIN BARRY & PARTNERS.

MEMORANDUM

ON

ORGANISATION

It is desirable to say a few words on the background of this organisation, for background in consulting work is of the very greatest importance, just as a barrister with good legal knowledge and no experience of court practice may be of little use to a client.

The Robert White & Partners element of the organisation dates back to 1868 when the practice of Sir George Bruce was established in Westminster, some of the first work being done in India in connection with the Indian Railways. Later the practice became Sir George Bruce & White, then Robert White and in 1919 Robert White & Partners, continuing as a firm until 1941.

Throughout, a great part of the practice was on work in India and when large schemes such as the Golden Rock Workshops of the S.I.R., the electrification of the Madras Suburban Services, the electrification of collieries on the East side, the harbour at Bhavnagar, local offices and representations were maintained. Sir Bruce White and Colin White were partners in Robert White & Partners.

Sir John Wolfe Barry established his practice about 1863 and with a continuous flow of partners the firm carried on until 1941 when it was merged with the firm of Robert White & Partners and became Wolfe Barry, Robert White & Partners. The firm of Sir John Wolfe Barry & Partners carried out a great deal of work throughout the world including the Tower Bridge, numerous harbour works and general schemes including many in India, as for instance, the Bombay Port Trust.

Messrs. A.J.Barry, Cochrane & Partners was an amalgamation of A.J.Barry, who had a world wide practice, and J.A.Cochrane, who had lived and worked on harbour and other engineering works in the Far

Contd-2

Far East and Africa.

The merging of the three firms results in a great strength of background of consulting engineering combined with a knowledge of working in many parts of the world. Of the firm's partners three have lived and worked for long periods on engineering works connected with harbours, railways, electrical and various types of work in India.

During the war Sir Bruce White, as Director of Ports and Inland Water Transport at the War Office, was directly responsible for the conception, organisation and training of a force of 1100 officers and 40,000 men to deal with every aspect of port working, both engineering and operating.

One of the earliest and greatest works of this Directorate was the planning and building of two great Military ports in Scotland in record time. That these two ports were most economical in working was in itself a tribute to the "commercial" planning which was combined, as it must be, with the engineering planning.

The most spectacular and easily the most complicated task of which Sir Bruce was the principal organiser, was the design and construction of the two "Mulberry" ports which we now know achieved in full the very purpose for which they were built - tactical surprise. Their contribution to the speedy conclusion of the war in Europe is very apparent to-day and will probably be made more so when the full history of the war is written.

The "Mulberry" project will live for all time as an engineering feat unsurpassed as to size and difficulty, but it is possible that only the few so intimately connected with it can know the full measure of its marvels. The plan, in which it was Sir Bruce's privilege to play a leading part, born of great vision and foresight, was daring in its execution. It was designed and constructed in the amazingly short period of nine months, yet, although time was short, even the most minute details were given such meticulous attention that every part fell speedily to its place on the day, without any possibility of a dress rehearsal beforehand.

Contd-3

This great engineering feat, as indeed the whole of the reconstruction and working of the Continental and Far Eastern ports wrecked by the enemy, which followed "Mulberry" was only made possible by the complete co-ordination of every branch of engineering into one organisation at the War Office which, although complete in itself, maintained flexibility of outlook by calling on outside specialists for particular study.

Treated in this manner the force of engineering and port operators became a complete monolithic force and despite the great range of interests involved, all worked in that perfect unanimity of purpose which careful planning on broad lines alone achieves.

It is now intended to perpetuate this type of organisation to undertake in full, projects of any magnitude, however diverse their nature.

[illegible] value of experience gained by Robert White & Partners in merging in one firm all branches of engineering so that design and execution can proceed with one responsibility, a very essential point if big schemes are to be carried out successfully. Likewise it is only by this complete merging that the full economic aim of a scheme can, in designing, be kept well to the fore at all stages.

Sir Bruce C.White.

Admiral

1-16, Talmaki Wadi,
Tardeo Road,Bombay 7. 24-1-'47.

The Secretary,
Department of Industries & Supply
Government of India,
NEW DELHI.

Dear Sir,

Sub:- Ship-building Industry & Hydro-Electric Industry at Bhatkal.

Herewith I enclose a copy of my representation submitted through my solicitors to the Government of Bombay for State aid, for the decision of the Central Government to give me permission to start Ship-building Industry at Bhatkal, district north Kanare, Bombay Province.

I want to bring to your pointed attention to the Government order No.0/2089-G, dated Bombay 4th June 1941 of Revenue Department, assuring me the Government's sympathetic consideration in giving me State aid to the above said Industries; accordingly I have submitted the said representation to the Government of Bombay. At the same time, later on the Government of Bombay sent the Collector of Central Excise, who also is the Collector of Customs of the minor ports of Bombay Province, Mr. McClenaghan, I.C.S. to inspect the Site and report the matter to the Government. As the Government was satisfied with his opinion, they issued orders to the local authorities to give me facilities for survey and planning. But, when I applied for permission for marine survey the Bombay Government as per their order No.5967/39/29926-G, dated 28th October 1944 of Revenue Department, wrote to me that unless I get sanctioned for starting Ship-building Industry from the Central Government, as it being a Central subject, they cannot issue orders for the same.

WORLD SITUATION

As I feel that it is my duty to the country to place before the Government to consider the Ship-building situation of the world while deciding the above said matter :-

In France before the War there were fourteen important ship yards. And after the War "The damage to the most of the ship yards was so great that repairs were impracticable and the only solution was to re-build". Hence the French Govt. have advanced £.1,04,00,000 (Rs.13,90,00,000) upto 1947 and have guaranteed 5,00,000 tons of new ship-building.

In Italy the Government have not only advanced to the Ship-building firms tremedous money for repairing their ship yards but also they have purchased fifty liberty ships from U.S.A. ,Both these countries are handling India's.

India's shipping.

China has also become after the War a great shipping and Ship-building nation. In Shanghai a big ship yard is already established and she has a tonnage over 7,00,000 tons.

Russia has announced and has decided to increase its mercantile fleet by 6,00,000 new tonnage and will finish building of big Bases and Ports with all types of docking facilities by 1950, on the Azove, Black and Baltic Seas and in the Far East.

United Kingdom has over three hundred ship-yards and the Government places orders for their Fleet with the Ship-building Firms and thus encourages Ship-building Industry. Except Russia almost all the ship yards in this world are owned by the Joint Stock Companies and build all types of Naval Vessels.

India's unfortunate situation is this :- India has a coast line of about five thousand miles and the coastal traffic of one crore tons and over-seas traffic of over two and a half crore tons and one lakh passengers; still there is not a single well established ship-yard in India.

PORT DEVELOPMENT

The execution of my project is never depending upon the port facilities at Bhatkal. One should not be blind to the realities. The principles of economy, politics, trade, commerce and industry that govern England, America and Europe and almost whole of the world except U.S.S.R. also govern India. For India's emancipation and advancement we should adopt British principles. In England Joint Stock Companies own ports, docks, dry docks, wharfs etc. Four Joint Stock Companies alone in England own 76 docks and harbours - more than half the total in the U.K. All the Ship-yards in England own big wharfs, fitting out Berths and Dry-docks and repair Slip-ways. Without a Dry-dock and fitting out Berths and wharfs there is no ship-yard; these are the principle parts of a ship-yard. Hence these parts meet the needs of port facility. Even In India Bombay Port was developed and owned by Joint Stock Companies before the Bombay Port Trust came into existence. It is the industrialists and commercial magnets that build and develop ports. Naval Bases and strategical ports only are built by the Governments. Bhatkal is not a strategical place. Bhatkal should become the home of India's marine industry and technology. Hence the Government should adopt the British principles and methods. Then only the industry is likely to proper on sound footings.

ASSURANCES

An impression has been created in India by Messrs. Scindia Steam Circle, who are the beginners of modern ship-building industry in India and also their followers Karachi people that ship-building industry in India will never prosper unless the Government gives a heavy subsidy, and the British ship-building economists also discourage the Indian public that this kind of subsidy is a serious drain on the resources of the Treasury, I earnestly request therefore, the Government to give me an assurance so as to create confidence in the public that the British principles will be adopted by the Central Government that is, the India's all classes of naval Vessels will be constructed in this ship-yard and this Joint Stock Company will be allowed to own Docks and Harbours, of course under the proper control of the Government.

As Sir Bruce White is coming to India in the last week of the next month to see the sight personally and chalk-out the programme for the detailed surveys which should begin in the month of May next,- I shall be highly obliged if you will kindly expedite the matter so that the Central Government may kindly issue orders for this national key industry, as early as possible so that we may establish soundly before the world competition peeps in.

Yours obediently,

(A.M. BHAT)

Enclos:

One copy of representation with three copies of report on ship-building, town-planning and hydro-electricity by Messrs. Sir Bruce White, Wolfe Berry and partners, London.

No.5367/39/29026-G.
Revenue Department.
Bombay Castle, 28th October 1944.

From.

The Joint Secretary to the Government of Bombay,
Revenue Department.

To

A. M. Bhat, Esquire.

Subject:- Industrialisation of Bhatkal.

Sir,

With reference to your letter, dated 28th September 1944, on the subject mentioned above, I am directed to inform you that the Government of Bombay adheres to the view expressed in its letter, No.5967-G/39, dated 23th November 1942, and that, in the absence of a specific recommendation for facilities from the Government of India (which is concerned with ship-building), this Government is not prepared to accord the required facilities for a Marine Survey.

Your obedient servant,

Sd/-

For Joint Secretary to the Government
of Bombay, Revenue Department.

No.0/9989-G.
Revenue Department.
Bombay Castle, 4th June 1941.

From

The Assistant Secretary to the Government of Bombay, Revenue Department;

To

A. M. Bhat, Esquire.

Subject:- Industrialisation of Bhatkal (Kanara).

Sir,

With reference to your petitions, dated 7th April and 7th May 1941 regarding the industrialisation of Bhatkal, addressed to the Chief Secretary to Government, I am directed to state that Government cannot take cognisance of the schemes referred to in the former petition unless they are elaborated in greater detail, nor can they give you a blind ratification of the resolution of the Legislature referred to in the latter. Government will however sympathetically consider any concrete and practical schemes which you may put up before them.

I have the honour to be,
Sir,
Your most obedient servant,
Sd/- F.H.DeVitra
Assistant Secretary to the Government of Bomba
Revenue Department.

A M Bhat

Mr. Bhat of Bhatkal (South Kanara)

has made an application to the R.D.

concerning his three schemes for (1) establishing

a shipyard at Bhatkal, (2) a town planning

scheme & (3) a hydro-electric scheme for

supplying power for the shipyard & the Town.

Mr Bhat personally handed over copies of the

reports prepared by his Consulting Engineers.

There are places for information below.

I have already sent a wire to the K.V. about this scandal we hear from that Lord. no action is necessary.

GH
4.VI 47.

Secy (I).

A. M. Bhat

PROMOTER :

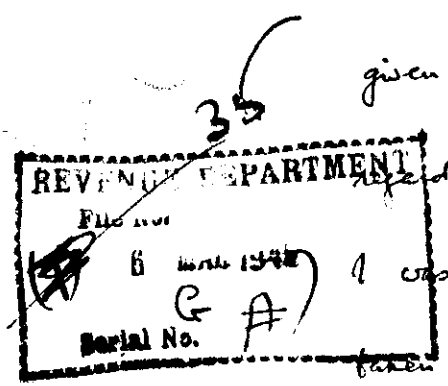
SHIPPING & SHIP BUILDING CO.
AFFILIATED WITH
AN INSTITUTE OF MARINE
ENGINEERING & NAVAL
ARCHITECTURE.

WORKS :

JALI CHANNEL,
BHATKAL
DT. NORTH KANARA,
(INDIA).

0730/36

Mr. A.M. Bhat saw me to-day and informed me that he has prepared, what he considers to be the world's cheapest hydro. el. scheme, on the Venkatpuri river near Bhatkal (Kanara Dist.). He informed me that he has given his scheme to the Hon. R.D. As no information regarding this scheme is available in the PWD I was unable to tell him what action is being taken on his proposal. The PWD would be interested to know what action, if any, the R.D. has taken in the matter.



6/3/47
U/S to R.D., dt 6-3-47

Gen Secy.

Submitted for orders whether the "Report on the proposed Hydro-Electric Scheme at Bhatkal" prepared by the Bhat. should be shown u.o. to the P.W.D. If so, the P.W.D. may be ... requested to treat the case as "Confidential"

Yes, write a request to P. ... return all these Bks by the end of this week. I shall be ... taking them on the Committee's trip to Bhatkal.

25.3.47

U.O.R. to P.W.D. dt 13/47.

... with K.D. pps. bearing 5967/39/52360-g and 3 reports.

67.30/36
13907

PWD

The PWD is interested only in the Hydro-electric part of the schemes and would like to be kept in touch with the developments in this respect.

REVENUE DEPARTMENT
File No.
29 MAR 1947
Serial No. B
Secy(C).

CM
27 III 47.

P.W.D
28/3/47

Comb.

Up. R.D. of 28-3-47
with R.D. file no 5967/39/52360 & 3 reports.

6730/36
14557

R.D.

The contents of the P.W.D. note overleaf have been noted. These papers may be returned to the P.W.D.

29/3

D.S

29.3.47

U.O.R. to P.W.D. & 31/3/47.

P.W.D

Dnp 1/1

P. W. D.
File No. 6730/36
Serial No. 14557

Regn E.C. 13

Pl. issue U.O.R. to P.W.D. 31/3

Sd/- 14/4

Await.

Dnp 26/4/47

REVENUE DEPARTMENT
24 MAR 1947
Unofficial Reference
Serial No.

Public Works DEPARTMENT.

No. 6730/36 - El (1)

Dated 26 - 3 - 1947

Subject:-

Mr. A.M. Bhat's proposal to prepare Hydro-El Schemes on Venkatpuri River near Bhatkal (Kanara Dist)

The attention of the Revenue Department is requested to the unofficial reference noted in the margin, the early return of which with a reply will be convenient.

S.S. Jeerhan

For Assistant Secretary to Government.

Unofficial reference to the Revenue Department No. 6730/36 El (1) dated, 22nd March 1947

R.D

The P.W.D u.o.r. No. 6730/36-EL (1) dated 22/3/47 has been returned to that deptt. on 31/3/47. This may kindly be forwarded to the P.W.D with the above note.

EL7/4

24/4

A.S:-

u.o.r. to P.W.D dt- 3rd April (1947)

P. W. D.
File No. 6730/36 (1)
Serial No. 1507

pl issue to the P.W.D
31/4/47

Ft / Tomes

5

WORKS :
JALI CHANNEL, BHATKAL.
Under Floatation:-
SHIPPING AND SHIPBUILDING COMPANY
AFFILIATED WITH AN INSTITUTE OF MARINE ENGINEERING AND NAVAL ARCHITECTURE

A. M. BHAT

PROMOTER:
Bhatkal Development Project
Bhatkal, District North Kanara, (India).

True Copy.

DATE_____

No.101-DSS/47,
GOVERNMENT OF INDIA,
DEPARTMENT OF INDUSTRIES AND SUPPLIES

New Delhi, the 11th March 1947.

A.M.Bhat, Esquire,
13-D, Firozshah Road,
New Delhi.

Dear Sir,

Sub:- Shipbuilding Industry at Bhatkal.

With reference to your letter dated the 10th March 1947, I am directed to state that this Department is recommending that you should be granted the necessary permission to undertake the Marine Survey at Bhatkal. This recommendation is being made on the strict understandin that the permission, if given, will be without prejudice to any decisi that Government may ultimately take with regard to the establishment of the Shipbuilding Industry in accordance with the recommendations of the Shipbuilding Panel.

Yours faithfully,
Sd/- G.W.M.Whittle.
Dy.Secretary to the Govt.of India.

TELEGRAM STATE

To

MR. BHAT, 1-16 TALMAKI WADI
TARDEO ROAD, BOMBAY.

No.1(1)-65(2) YOUR TELEGRAM MARCH 17TH MATTER REFERRED TO BOMBAY GOVERNMENT SUGGEST YOU CONTACT THEM.

SUPLIND.

No.65(2)-1(1)/47,
GOVERNMENT OF INDIA,
DEPARTMENT OF INDUSTRIES AND SUPPLIES.
New Delhi, the 27th March 1947.

Copy forwarded by post in confirmation to -
Mrx A.M.Bhat, Esquire,
Bombay.

Sd/- M.L.Puri
For Under Secy.to the Govt.of India.

A.M.Bhat

WORKS :
JALI CHANNEL, BHATKAL.
Under Floatation:-
SHIPPING AND SHIPBUILDING COMPANY
AFFILIATED WITH
AN INSTITUTE OF
MARINE ENGINEERING AND
NAVAL ARCHITECTURE.

A. M. BHAT

PROMOTER:
Bhatkal Development Project
Bhatkal, District North Kanara, (India).
1-16, Talmaki Wadi, Tardeo Road,
Bombay, 7.

4 51

DATE 2nd April 1947.

The Secretary,
P.W.D.,
Government of Bombay,
Bombay.

Dear Sir,

Sub:- Shipbuilding Industry & Hydro-Electric Industry at Bhatkal.

In continuation of my representation dated 6th March 1947, I beg to enclose herewith a true copy of the decision taken by Government of India, Industries Department, New Delhi, on my above said scheme.

I shall be highly obliged if you will kindly issue orders for permission to start detailed Hydro-Electric Industrial Survey at - - Bhatkal, for generating power on Venkatapur river, as early as possible in view of soon coming monsoon.

An assurance may kindly be given that the Government would give all facilities to ~~kk~~ instal Hydro-electric works on the lines of Messrs Tata Power, along with all facilities for distributing the same as said in para three of my representation of 6th March last, viz: "Distributin the same within a radius of 25 miles of the place where power is - - generated", so as to creat confidence in the public.

Yours obediently,

(A.M.Bhat.)

Encl:2.

~~8672~~
~~6730~~/36

El. Br.

P.W.D.

+

Acknowledged.

+ attached at the same.

mr
5/4/47

~~821~~
5/4(4)

Issued
5/4.

E13/4

P. W. D.
File No. 8672/36.
Serial No. 14930

mr 5/4
(Please)

E/Br.

3-46

Mr. Bhat wants to develop three schemes (following) at Bhatkal. (1) Shipyard. (2) Town planning and (3) Hydro-electric generation. These three schemes are independant and Mr. Bhat has approached the Revenue Dept in the matter. I have seen the R.D. papers on the subject and it is gathered that the matter has been referred by the R.D. to the Ports committee for opinion. The decision is not yet known.

2/- In the meanwhile Mr. Bhat has given to this Dept. copies of his schemes† and has made a request that he may be permitted to start a detailed hydro-electric industrial survey at Bhatkal. He has also requested that a licence should be issued to him for generating hydro-el. power and distribution of the same within a radius of 25 miles of the power house.

† kept in an envelope on the case board.

3/- ~~He~~ Mr. Bhat has enclosed a copy of a G.O.I. letter authorising him to carry out a marine survey at Bhatkal.

P.T.O.

It seems that There ~~is no~~ would be no objection to permit him to carry out the investigation for his hydro-el. scheme. The El. Commr. with the G. of B. may be consulted urgently.

OFFICE OF THE
SPECIAL OFFICER (ELECTRIC GRID).
Inward No. 6247.
Date 13/5/47

11-V-47

Sry (I)
W. Yes. Will the El. Commr. with the G. of B. please treat this as very urgent.

13/V/47

V. urgent
D.O. to the El. Commr. with the G. of B., dt 13-5-47
+ with a packet containing three reports

Elg

Public Works DEPARTMENT.

Unofficial Reference

No. 8672/36

dated the 13th May 1947

Subject:- Hydro-Electric Scheme at Bhatkal of Mr. A.M. Bhat

The attention of the Electrical Commissioner with the Govt. of B'bay ~~Department~~ is requested to the unofficial reference from this Department noted in the margin, the early return of which with a reply will be convenient.

S.R. Jadhav.
for Assistant Secretary to Government.

OFFICE OF THE
SPECIAL OFFICER (ELECTRIC GRID).
Inward No. 8436
Date: 16/6/47

Unofficial reference to the Electrical Commissioner with the G. of B. Department No. 8672/36-EI dated, 16th June 1947.

Below P.W.D. u.o.r. No.8672/36 dated 13th May, 1947 & No. 8672/36 -El dated 16th June 1947 -----

Electric Grid Offices.

Hydro-Electric Development at Bhatkal:

Mr. A. M. Bhat, promoter, Bhatkal Development Project, 1-16 Talmaki Wadi, Tardeo Road, Bombay 7, has submitted a Scheme for development of Bhatkal comprising (1) Port development and ship building industry, (2) town development and (3) hydro electric development. A preliminary report on each of the three parts, mentioned above, prepared by Messrs. Sir Bruce White, Wolfe Barry & Partners of England, Consulting Engineers, has also been submitted.

2. The Department of Industries and Supply of the Government of India have recommended that he should be granted the necessary permission to undertake the marine survey at Bhatkal without prejudice to any decision that Government may ultimately take with regard to the establishment of the ship building industry in this country.

3. To carry out his schemes, Mr. Bhat proposes to float a Company with a capital of five crores and desires that Government should subscribe 20 per cent of the issued capital of the Company.

4. Mr. Bhat has asked for a number of concessions from the Government of Bombay. This Department is concerned with his request for a licence for generating hydro-electric power at Bhatkal and its distribution withi

a radius of 25 miles of the town.

5. It will be observed from the report of the Consulting Engineers, that the Scheme and cost estimates have been drawn up with the aid of an inch to the mile map, as the only source of information about the ground, with no geological information other than the knowledge of the general formations to be found in the Western Ghats and with no knowledge of post-war contract prices. No reliance can, therefore, be placed on the estimates furnished in their reports for practical consideration of the scheme.

6. The Hydro-electric Survey of India made by Mr. Meares does not mention Bhatkal as a possible site for development of water power. No field load survey of the area in question has been made, but the nature of the country is not such that any very large load will offer itself to justify an independent large hydro-electric scheme. Bhatkal is within reach of supply from Jog and the requirements of power of the Port, the ship building yard and the proposed town development can be met from that source.

7. It is extremely doubtful that Mr. Bhat will be able to attract 5 crores of rupees for his venture. There is, however, no objection to Mr. Bhat's investigating the hydro-electric part of the scheme at his own expense, so long as it is made clear to him that the permission to investigate does not commit the Government to any promise of concession or grant of a regional license.

8/

8. If ultimately his scheme takes practical shape, he may be permitted to generate hydro power if he so wishes for his own use with Government reserving the right to take up surplus power that may be available as and when required for distribution outside the town of Bhatkal in accordance with the law, that may then be applicable to similar transactions with licensees in the Province.

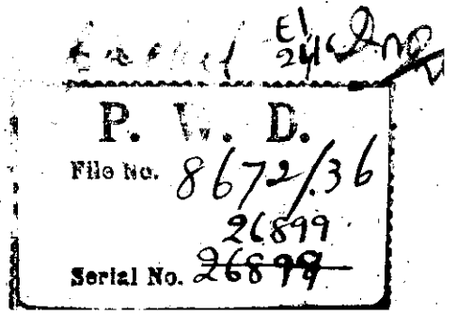
9. It may be mentioned that the Government of India do not grant permission for issue of new capital, unless they are satisfied that the applicant and his friends can show that they are in a position to invest at least 20 per cent of the required Capital themselves. In the present case, this will mean about one crore of rupees. Mr. Bhat when he saw me recently was unaware of this condition. It would seem that the venture is beyond the financial and organizational capacity of Mr. Bhat.

Secy.to Govt.,
P.W.D.,Bombay.

23/6/47

× U.o.r.No.Elg.332/6136
Bombay 1: 24 June,1947.

× with a packet containing three reports


P. W. D.
File No. 8672/36
26899
Serial No. 26899

SIR BRUCE WHITE WOLFE BARRY & PARTNERS

Consulting & Chartered Civil Engineers

Grosvenor Gardens House,
35, Grosvenor Gardens,
Westminster, S.W.1.

JAR/TM. 13th June, 1947.

AIR MAIL.

A.M. Bhat, Esq.,
1-16, Talmaki Wadi,
Tardeo Road,
BOMBAY. 7.

Dear Mr.Bhat,

Many thanks for your letter of the 5th June.

I am sorry to hear that the R.I.N. will be unable to carry out your survey during the coming Monsoon. I have therefore been in touch with Air Surveys Ltd., London, who have an associated Company in Calcutta, and I have asked them to let me know whether they can help by making an aerial syrvey. I expect to hear from their London Office in the course of the next few days and I will then pass the information on to Mr,Cruttwell at Tatanagar, and will ask him to meet Air Surveys in Calcutta to discuss what arrangements are necessary to carry out the work. Also to ascertain the cost.

While the survey people are engaged or this work I consider it would save time and money if they also surveyed the areas connected with the hydro-electric schemes and with the town planning.

Yours very sincerely,

Sd/- J.A.S.Rolfe.

A. M. BHAT
Promoter:
Bhatkal Development Project
Bhatkal, District North Kanara, (India).

1-16 Talmaki Wadi,
Tardeo Road, Bombay-7.

Date: 26th June 1947.

The Secretary,
P. W. D.,
Government of Bombay,
BOMBAY.

Dear Sir,

Sub: Shipbuilding & Hydro Electric Industries at Bhatkal.

In continuation of my representation of 2nd April 1947 I wish to bring to your kind notice that along with the Blue Prints and Reports of the above said Industries I have submitted to you the general Plans and report on my new Industrial town planning scheme at Bhatkal. As Town Planning also comes under your power of jurisdiction, I request you to issue orders giving me ~~per~~ permission to design the said town planning in detail as required by the Bombay Town Planning Act.

So also I request you to issue orders giving me permission to do the detailed survey, planning and designing of Water Works for Water Supply and Dam on Venkatapur River which

may.....

may from the initial stage or at a later stage become the Hydro Electric Power generating dam.

As I am to shoulder the responsibility of paying the heavy Engineering fees for survey, planning designing and complete lay out of the Town Planning, Water Works, Dam, Electric Power Station etc. of public utility nature which may be taken over at fair price by the Government at any time after the complete execution of this Project, I earnestly request you to give me orders clearly defining the percentage of overhead charges that would be allowed and recognised by the Govt. as requested by me in my representation of 27th Dec. 1946 - Para 8. capital of the Company, on page 4 of the Statement of concessions and help sought from the Government..

The whole project will be established on the basis of Public Joint Stock Company in which theGovt. also will be requested to subscribe the Capital.

Herewith I have enclosed a copy of the letter of 13th inst. received by me from my London Consulting Engineers, stating that they are arranging for Aerial Survey of the place. Hence kindly treat this matter as most urgent one.

Yours faithfully.

Sd

MB/9/7/47.

9/7/47

El. Br. P. W. D.

Submitted with reference to the Dy. Engr's (Mr. Pandit's) note, dt. the 11-5-47 and the Secy (I)'s note following it.

2. The remarks of the El. Commr. are on pp. ante from which it will be seen that he has no objection to Mr. Bhat's investigating the hydro-electric part of the scheme at his own expense so long as it is made clear to him that the permission to investigate does not commit the Govt. to any promise of concession or grant of a regional license. It is for consideration whether Mr. Bhatt may be infromed accordingly in consultation with the R.D., which Deptt. is dealing with the original representation of Mr. Bhat.

3. Attention is invited to the further letter, dt. the 26-6-47, recd from Mr. Bhat where in he requests

(i) to issue orders giving him permission to design town planning in accordance with his scheme for town planning,

(ii) to issue orders giving him permission to do the detailed survey, planning and designing of Water Works for water supply and dam on Venkatapur River,

(iii) to define the percentage of over-head charges for the whole project - vide para 8 of the statement of concession asked for by Mr. Bhat.

4. The points raised by Mr. Bhat in his letter dt. the 26-6-47 refd to above, will have to be considered by the Rev. Deptt., which is dealing with the original representation, in consultation with the other Deptts. concerned. The letter in question may therefore be forwarded to the R.D. for disposal as per draft put up for approval.

5. After issue of the proposed draft these papers may be refd. U.O. to the R.D. with reference to the proposal in para 2 above.

RKP
4-7-47.

8672/36
27497

Below letter, dt. the 26-6-47, from Mr. A.M. Bhat, Promoter, Bhatkal Development Project, and its accompaniment. p 61

No. 8672/36-El. P. W. D.,

B.C., 9th July 1947.

Transferred to the R.D. for disposal with reference Mr. Bhat's representation, dt. the 27-12-46, (addressed to the H.M., R.D.) which is under consideration in that Deptt.

+ copy at Wb 3-15

2. Copies of letters, dt. the 6th March and 2nd April 1947, addressed by Mr. Bhat to this Deptt reg: his hydro-electic scheme are enclosed for information. The relevant file is being refd. to that Deptt. separately with this Deptt's remarks.

p 49 & 51 & the letters accompt

By order of the G. of B.

D.A.- Copies of letters.

Wb 1, 49-51

REVENUE DEPARTMENT
Rec'd on
10 JUL 1947
Secn No.

Urgent.
+ to R.D. dt 10-7-47
+ with a packet containing three schemes of Mr Bhat.

Mr.Bhat has now approached Govt. in the P.W.D. with a scheme for development of Bhatkal comprising (1) Port development and ship building industry, (2) town development & (3) hydro-electric development. All three projects are interdependent.

2. As regards Port development and ship building industry, Mr.Bhat has already approached R.D. for permission to carry out a marine survey of Bhatkal. R.D. in its letter, No.5967/39-G, d.12/5/47, granted this permission to Mr.B. on the distinct understanding that this permission would not convey any rights as regards establishment of ship-building industry & that he would not claim preferential treatment on the ground that he has got permission for the survey. As regards town development, H.& L. G.D. is concerned and this point may be refd. to that Deptt. for consideration. As regards hydro-electric development Mr.Bhat has approached the P.W.D. for a licence to generate hydro-electric power at Bhatkal & its distribution within a radius of 25 miles of the town. The P.W.D. has no objection to Mr.Bhat investigating the hydro-electric part of the Scheme at his own expense, so long as it is made clear to him that the permission to investigate does not commit Govt. to any promise of concession or grant of a regional license. R.D. also need not object to P.W.D. granting this permission to Mr.Bhat. However, this point is subtd. for orders.

p.165 of R.D. file 5967/39-T (vol

3. In para.3 of his letter of 26/6/47, Mr.Bhat has asked Govt. to define the percentage of over-head charges for the whole project. But

Govt's policy so far has been not to render any monetary help to Mr.Bhat for his project.

4. Before returning the papers to P.W.D. copies of pages 53-60 will be kept for record in R.D. file No.5967/39-II.

1. Govt. in its letter of No.5967/39-G, dated 12th May 1947 granted permission to Mr.Bhatt to carry out the Marine Survey of Bhatkal at his own expense on the distinct understanding that it will not convey any rights of establishing ship-building industry or allow preferential treatment. Thereupon Mr.Bhatt again approached Govt. for granting him preferential treatment on the strength of his spending money for survey but his request was refused. So far as R.D. is concerned the attitude of Govt. is clear and nothing further can be done in the matter. The R.D. proceedings in File 5967/39-II may be shown to P.W.D. U.S.

RD/19

2. Was this scheme referred to Ports Development Committee and if so, what are its recommendations. I find from Mr.Bowman's note dated 25th March 1947 at p.44 that this Committee was to visit Bhatkal.

R.D. 22/7/47.

R.D.

Resubmitted with reference to para 2 of U.S' note above.

2. Mr. Bhat's scheme has been placed before the P.D.C., but the Committee has not made any definite recommendations thereon. Please see the minutes of the meeting of the P.D.C. to Karwar, Bhatkal & Ratnagiri. Slip A in 959/45 - IV below.

§ Slip A in file 959/45 D
pnl u/s.
+ Slip B — Do —

It appears from the tour programme of the Committee that it visited Bhatkal and from the minutes of the meeting held on 10th June 1947 that it was decided to appoint a Technical Committee to conduct traffic and engineering survey at the ports between Marmagao and Cochin including the ports of Karwar, Bhatkal, Malpe and Mangalore. In view of this the action so far taken by Govt. towards Mr.Bhatt's scheme with regard to Bhatkal is not likely to compromise any further develonments on the part of Govt.

Secretary.

23-7-47.

11.7.47

U.O.R. of P.W.D. dt 24/7/47

X. with R.D. file
No. 5967/33-II
packet containing rep.
Bhat's schemes.

EI-28/7

file & packet dt. 28-7-47

P. W. D.
File No. 8672/36
Serial No. 32428

28-7-47

SA23

Public Works DEPARTMENT.

Unofficial Reference

No. 8672/36

dated the 10th July 1947.

Subject:- Hydro Electric Schemes at Bhatkal of Mr. A M Bhat

The attention of the Revenue Department is requested to the unofficial reference from this Department noted in the margin, the early return of which with a reply will be convenient.

S. Jacob

for Assistant Secretary to Government.

REVE[illegible] DEPARTMENT
Fi[illegible]
28-7-47
Serial No. G

Unofficial reference to the Revenue Department

Department No. 8672/36 El / dated, 26th July 1947.

Rev. Deptt.

The P.W.D. file No 8672/36 has been returned to their Deptt vide O. on 24.7.47. This paper may therefore be returned to P.W.D.

FA 29/7.

31-7-47 11/16

A.S.

29.7.47

W.O. 2-to P.W.D. 4-8-47

EL 4/8

SD 4/8

P. W. D.
File No. 867 2/26
Serial No. 33644

4-8-47

P. W. D.

El. Br.

Submitted with ref. to the Dy. Secy.'s (Mr. Pandit's) note dated the 11-5-47, which explains in brief the case under consideration in these papers.

2. The Elecl. Commr.'s remarks are on pp. ante. The Elecl. Commr. has no objection to Mr. Bhat's investigating the hydro-electric part of the scheme at his own expense so long as it is made clear to him that the permission to investigate does not commit the Govt. to any promise of concession or grant of a regional license. It was proposed to inform Mr. Bhat accordingly in consultation with the R.D. which Deptt. is dealing with the original representation of Mr. Bhat. Attention is invited to the R.D. noting on pp. ante. From the proceedings in that Deptt. file No.5967/39 it will be seen that that Deptt. has granted permission to Mr. Bhat to carry out the Marine Survey of Bhatkal at his own expense on the distinct understanding that the permission will not convey any rights as regards estabt. of shipbuilding industry or allow preferential treatment and has refused to encourage Mr. Bhat's proposal any further pending consideration of other allied problems by this Govt. and the shipbuilding panel of the G. of I. In short the attitude of the R.D. is not to commit Govt. in any way with ref. to Mr. Bhat's schemes.

4. The proposal made by this Deptt. at 'A' above also does not commit Govt. in any way and obviously R.D. has no objection

to....

to it. The draft put up may issue, if approved.

421
9/8/47

The draft seems to be in order
& may issue. Mr Bhatt is not
likely to be satisfied with it (even
as he was not for the permission to
carry out Marine Survey) as he
wants a monopoly of the scheme.
This can evidently not be corrected
at this stage. The draft is therefore
non-committal in this respect.

Sd
20/8/47

The draft letter may be approved in
it the same attitude has been
adopted towards the Hydro-Electric
Scheme that the R.P. has already taken
towards the Marine Survey.

Seen by Hon'ble Pres.

P.S.
Hon. PNO. Pks 21/8

Sd.
21/8/47

Sd.
21/8/47

Issue.
Sd.
21/8/47

No.8672/36-El. P. W. D.,
B.C., 25th Aug. 1947.

To

A. M. Bhat, Esquire,
1-16, Talmaki Wadi,
Tardeo Road, Bombay 7.

Subject: Ship-building and hydro-electric industries at Bhatkal.

Dear Sir,

With ref. to your letters dated the 6th March and 2nd April 1947, I am to state that Govt. has no objection to your investigating the hydro-electric part of your scheme at your own expense on the distinct understanding that this permission does not commit Govt. to any promise of a concession or the grant of a regional license.

2. Your further letter dated the 26th June 1947, re: town planning and water works has been transferred to Govt. in the Rev.Deptt. for disposal. Any further communication in this con. may be addressed to that Deptt.

Yours faithfully,

D.A.- Nil.

Copy to the R.D. for information, with ref. to this Deptt. memo.No.6572/36-El., dated the 9-7-47.

2. That Deptt. file No.5967/39-II on the subject is returned herewith.

GJP.
19/8/47

ISSUED with Engl.
on 28/8/47